

# Health Insurance RFP

Update and Next Steps  
February 16, 2016

## Goals for Health Insurance in FY2017

- Offer a fiscally responsible benefits package that is competitive in the market.
- Provide valuable options so that employees may select a plan that best meets his/her needs.
- Partner with Stafford County Public Schools to align benefits strategies and find efficiencies through shared services.
- Select vendors who can provide cost-effective options and assist with a long-term health insurance strategy.

## RFP Process

- Joint procurement for medical, dental, prescription and stop loss coverage.
  - RFPs released November 12 and closed December 15
  - 3 proposals received for medical
  - 6 proposals received for dental
  - 6 proposals received for prescription
  - 2 proposals received for stop loss
- Proposals were reviewed and rated to determine finalists.
- Finalists interviews were held during the week of February 8, 2016.

## Proposed Medical Plan Designs

Medical	Current Plans		Proposed Plans		
Type of Plan	Key Care 15+ - PPO	Key Care 30 - PPO	PPO - High Option	PPO - Low Option	HDHP w/ Fund
<b>Plan Design</b>					
Single Deductible	\$0	\$1,000	\$200	\$1,000	\$1,500
Family Deductible	\$0	\$2,000	\$400	\$2,000	\$3,000
Single Out-of-Pocket Maximum	\$2,000	\$3,000	\$3,000	\$3,000	\$3,000
Family Out-of-Pocket Maximum	\$4,000	\$6,000	\$6,000	\$6,000	\$6,000
Inpatient Hospital	\$300 + 20%	20%	\$400 + 20%	20%	20%
Office Visit - Primary Care	\$15	\$30	\$20	30	20%
Office Visit - Specialist	\$30	\$30	\$40	\$30	20%
Urgent Care	\$15	\$30	\$20	\$30	20%
Emergency Room	\$150	20%	20%	20%	20%
<b>Pharmacy</b>					
Retail					
Tier 1 (Generic)	10	10	10	10	10
Tier 2 (Formulary)	20	20	30	30	20%
Tier 3 (Non-Formulary)	35	35	50	50	40%
Tier 4 (Specialty)	N/A	N/A	150	150	200
Mail-Order					
Tier 1 (Generic)	20	20	20	20	20
Tier 2 (Formulary)	40	40	60	60	20%
Tier 3 (Non-Formulary)	70	70	100	100	40%
Tier 4 (Specialty)	N/A	N/A	300	300	400
<b>Actuarial Value</b>	88.50%	78.60%	82.40%	78.20%	80.60%

# Proposed Dental Plan Designs

Dental	Current Plan	Proposed Plan	
Type of Plan	PPO	PPO - High Option	PPO - Low Option
Plan Design			
Single Deductible	\$50	\$50	\$50
Family Deductible	\$150	\$150	\$150
Preventative Services	No Cost	No Cost	No Cost
Basic Services	No Cost	20%	20%
Major Services	50%	50%	50%
Orthodontia	50%	50%	Not Covered
Calendar Year Maximum*	\$1,250	\$1,250	\$1,250
Orthodontic Lifetime Maximum**	\$1,500	\$1,500	N/A

\* Requested cost for increased maximum of \$1,500

\*\* Requested cost for increased orthodontic maximum of \$2,000

## Next Steps

- Clarify vendor proposals and resolve any outstanding complications.
- Recommend/select vendor(s) and plan design options.
- Review total projected costs and determine premiums/contributions.
- Begin implementation plans and open enrollment preparation.